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SUMMARY RECORD OF THE 7th MEETING

Held at Headquarters, New York,
on Friday, 22 February 1991, at 10 a.m.

President: Mr. PIRIZ-BALLON (Uruguay)

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The meeting was called to order at 10.15 a.m.

STANDING COMMITTEE FOR PROGRAMME MATTERS (continued) (DP/1991/L.4 and DP/1991/BFC/L.2)

1. Mr. KRAMER (Canada), Vice-President, said that the Budgetary and Finance Committee, having heard the report of the Administrator concerning the budgetary and financial implications of setting up the Standing Committee, had adopted draft decision DP/1991/BFC/L.2 by consensus for recommendation to the Governing Council. Those budgetary and financial implications which related to the holding of intersessional meetings were still subject to approval by the Economic and Social Council and the General Assembly in respect of the cost of such meetings to the United Nations.

2. The PRESIDENT invited the Council to consider draft decision DP/1991/L.4 concerning the Standing Committee for Programme Matters, bearing in mind the recommendation of the Budgetary and Finance Committee.

3. Mr. SAHA (India) said he was surprised that the draft decision addressed the question of the mandate, since the matter had already been fully covered in the Governing Council's decision 90/23, which stated that the Committee would have the same mandate as that contained in decisions 83/5 and 85/17. India, in common with other recipient countries, had been unable to participate in the informal consultations, but had not in any case expected that issue to be reopened. It was acceptable for the mandate to be included in the decision in order to clarify the position for the future, but it must not be extended beyond the terms of decisions 83/5 and 85/17. The mandate as contained in the draft decision should therefore be replaced with that contained in document DP/1991/4.

4. Mr. JASINSKI (Poland) said that the wording of the draft decision had been agreed in the informal consultations. The first preambular paragraph of the draft decision referred to the earlier decisions, including those concerning the Committee of the Whole, and it had been felt that the paragraph dealing with the mandate was in keeping with those decisions and further clarified the mandate within the same framework.

5. Mr. ROHNER (Switzerland) said that the intention had been to render the mandate more specific while still keeping very closely to the overall framework contained in the decisions mentioned. The more detailed reference to programme matters, which were mentioned in decision 90/23, was intended to address practical issues that the Committee would have to deal with. The role of the Standing Committee should be to give guidance at general policy level rather than to engage in detailed "micromanagement" of programmes and projects.

6. Mr. SAHA (India) said that the question of the mandate was not a peripheral one; the mandate determined what matters the Committee might or might not address. He could not agree that there had been no change of a substantive nature from the mandates reproduced in document DP/1991/4; however, it that was the understanding

(Mr. Saha, India)

of other delegations, then the contents of the relevant subparagraphs might be replaced with those of section III of that document.

7. Mr. AMAZIANE (Morocco) said that unless the content of paragraph 1 of the draft decision was replaced by that of the relevant passages of document DP/1991/4 and unless paragraph 7 was amended to limit field visits to a maximum of two per year, his delegation would be unable to participate in the consensus.

8. Mr. KRAMER (Canada) said that there was a need for the mandate to be expressed more specifically in order to give more precision to the work of the Committee. The change was not a substantive one, and the mandate of the Committee should be accepted as it stood in the draft decision.

9. Miss JANJUA (Pakistan) said that her delegation also wished to raise certain points relating to the mandate and to field visits.

10. The PRESIDENT suggested that a small informal group meeting should be held to discuss the points raised, and called upon Mr. JASINSKI (Poland) to carry out consultations with a view to finding a formula acceptable to all delegations.

11. The meeting was suspended at 10.40 a.m. and resumed at 11.20 a.m.

12. Mr. JASINSKI (Poland), Vice-President, said that, as a result of the additional round of informal consultations on the draft decision contained in document DP/1991/L.4, the following amendments had been proposed. Paragraph 1 would be replaced by the following text:

> "1. Decides that the Standing Committee for Programme Matters shall, with respect to the United Nations Development Programme, including its special funds and programmes, the United Nations Population Fund, as well as to United Nations technical cooperation activities within the mandate of the Governing Council:
>
> "(a) Consider major issues related to programme matters;
>
> "(b) Review country, regional, interregional and global programmes and projects;
>
> "(c) Review programme and project implementation;
>
> "(d) Consider reports on evaluation studies;
>
> "(e) Deal with other matters relating to programme management."

In paragraphs 7 and 10, after the word "Administrator", the words "of the United Nations Development Programme and the Executive Director of the United Nations Population Fund" would be added. In the second line of paragraph 12, "(up to $750 per capita GNP)" would be replaced by "(with a 1989 gross national product per capita of below $750)".

13. The PRESIDENT said that, if he heard no objection, he would take it that the Governing Council wished to adopt the draft decision contained in document DP/1991/L.4, as orally amended.

14. It was so decided.

15. Mr. KOCH (Canada) said that, after much discussion of the draft decision contained in document DP/1991/L.4, a very small number of delegations had objected to the words "Policy and criteria for programme funding and evaluation", the inclusion of which in paragraph 1 would, his delegation considered, have allowed the Governing Council to work with UNDP to improve the effectiveness and impact of programming for the ultimate benefit of all. That was a key issue to both developed and developing countries. If a few delegations continued to prevent the Council from even discussing what was perhaps the most fundamental issue facing it, that would inevitably have a substantial negative impact on the amount of future Canadian, and perhaps other, development funding which was channelled through UNDP.

16. Mr. AMAZIANE (Observer for Morocco) said that his delegation wished to place on record its understanding that paragraph 9 meant that there would be strict respect for the equitable representation of the membership of the Council in all field visits.

MATTERS RELATING TO THE WORK OF THE GOVERNING COUNCIL IN 1991 (continued) (DP/1991/2 and DP/1991/L.3 and Corr.2)

17. Mr. KIRDAR (Secretary of the Council) said that following comments from delegations concerning the proposed agenda and timetable for the work of the thirty-eighth session of the Council in June 1991 (DP/1991/L.3 and Corr.1) and subsequent consultations with interested delegations, the Secretariat had attempted to incorporate the suggestions put forward into a revised agenda and timetable (DP/1991/L.3/Corr.2). A new item, "Senior management structure", appeared as item 9 of the provisional agenda; other item numbers were changed accordingly. The item in question had been incorporated into the work programme on Tuesday, 4 June, to allow sufficient time for appropriate action to be taken in respect of the issue. With regard to budget issues, taking account of decision 87/50 and bearing in mind that 1991 was a budget year, 30 meetings had been scheduled for the Budgetary and Finance Committee; thus it would hold two meetings daily during the session, except on the last day. Item 12, "Matters relating to the work of the Council in 1992", would be considered early on Tuesday, 18 June, to allow time for the Council to consider further discussions on the possibility of biennialization of specific items; by that time it was hoped that the Drafting Group would have been able to give a clearer indication of the draft decisions to be considered. Other suggestions not of a nature to be taken into account in changes in the scheduled provisional agenda and organization of work would be reflected in the text of the document being prepared for the thirty-eighth session relating to the adoption of the agenda and organization of work.

18. Mr. CABEIRO QUINTANA (Cuba) asked if the Secretary would confirm that the consultants' report in respect of the item on "Senior management structure" circulated earlier in an English version would, since it was to be an official document of the Council, be translated into all the working languages.

19. Mr. KIRDAR (Secretary of the Council) said that the document had been circulated earlier on an unofficial basis. It would be sent for translation together with a separate document containing the Administration's comments, in accordance with the decision of the thirty-seventh session of the Council. The Administrator would convene an informal meeting of all members of the programme prior to the forthcoming session at which he would explain his comments, and subsequently both the consultants' report and the Administrator's comments would be made available in all the working languages.

20. The PRESIDENT said that as he heard no objection, he took it that the Council wished to approve the provisional agenda and timetable for the thirty-eighth session as contained in document DP/1991/L.3/Corr.2.

21. It was so decided.

22. The PRESIDENT said that if he heard no objection, he would take it that the Council had endorsed the proposed schedule of work for its thirty-eighth session on the understanding that it be considered as provisional and indicative, and that the Bureau would be entrusted with the task of adjusting the scheduled meetings within the overall allocation of services as required.

23. It was so decided.

24. The PRESIDENT said that, if he heard no objection, he would also take it that the Council wished to waive rule 22 of its Rules of Procedure inasmuch as it referred to the requirement of a quorum of one third of the members of the Governing Council present before a meeting could be opened and a debate proceed.

25. It was so decided.

26. The PRESIDENT said that, with respect to items to be considered by the Standing Committee for Programme Matters in June 1991, he would take it that the Council wished to endorse the suggestions contained in document DP/1991/L.3, paragraph 9.

27. Mrs. DUDIK GAYOSO (United States) said that her delegation would like to see evaluation reports and national execution reports considered also, and requested that the annotated agenda so indicate.

28. Mr. KIRDAR (Secretary of the Council) said that evaluation reports would be considered by the Standing Committee. National execution would be considered first at a plenary session, and then referred to the Standing Committee if desired. The annotated agenda would reflect those changes.

29. Mr. KOCH (Canada) wondered whether one afternoon meeting would be sufficient time for consideration of the large number of country programmes to be presented, and asked if their consideration could be carried over to another meeting.

30. Mr. KIRDAR (Secretary of the Council) said that the programme of work would be flexible, and that more time would be allotted as needed.

31. The PRESIDENT said that, if he heard no further comments, he would take it that the Council wished to endorse the suggestions contained in document DP/1991/L.3, paragraph 9, as amended.

32. It was so decided.

33. The PRESIDENT said that if he heard no objection, he would take it that the Council wished to allocate to the Budgetary and Finance Committee the items listed in document DP/1991/L.3, paragraph 12.

34. It was so decided.

35. The PRESIDENT said that he would further take it that the Council wished to reaffirm the principles guiding the work of its drafting group as contained in section III of decision 83/1, as recalled in document DP/1991/L.3, paragraphs 13 and 14.

36. It was so decided.

37. The PRESIDENT, turning to document DP/1991/2, said that if he heard no objection, he would take it that the Council wished to waive the 10-week rule for documents listed therein.

38. It was so decided.

MID-TERM REVIEWS OF COUNTRY AND INTERCOUNTRY PROGRAMMES (DP/1991/6)

39. Mr. EDGREN (Assistant Administrator) said that of the fourth cycle mid-term reviews, 142 had been completed, with 14 remaining. The process had been most useful in assessment and realignment of fourth cycle programmes and in beginning the development of fifth cycle programmes.

40. As all previous overviews had stressed, project-level focus of many mid-term reviews was an issue being addressed at the level of future programming and during forthcoming mid-term reviews for the fifth cycle. Section IV of DP/1991/6 outlined the major lessons learned throughout the process and incorporated the findings of the independent evaluation provided to the Council in June 1990. Revised guidelines incorporating those findings and those of operational reviews had been developed and discussed with operational units, and would be presented to the Council for consideration after broader consultation with field offices and United Nations agencies. Agency involvement in the preparation, conduct and follow-up of mid-term reviews would be encouraged, and government leadership of the review process would continue to receive full UNDP support.

41. Mr. DAMIBA (Assistant Administrator, Director, Regional Bureau for Africa), introducing the mid-term review for Angola said that major issues discussed had included the relevance of the country programme in the context of the current economic and social situation and the new economic policy, assistance in the industrial sector, linkages between emergency and development programmes, the agricultural sector, development of human resources, implementation of the programme, and financial aspects of programme delivery.

42. Assessment of implementation had included a review of the following topics: programme/project formulation and design; execution modalities and their effectiveness; successes and constraints and lessons learned; human resource problems and their implications for the design and implementation of the country programme; strategy and methodology for addressing women in development concerns; aid coordination arrangements and their effectiveness; the country programme process as a frame of reference for agencies and other donors; programme adjustments in response to changes in the political and socio-economic environment, and the need for in-depth project evaluation.

43. The review had established that the central objectives were closely in line with those of the Government. Since the Government's objectives were broad, and only general policy lines had been issued, without time-frames or priorities for the achievement of desired reforms, programme objectives were equally broad, and had been given approximately equal weight in IPF allocations. The initial years of the country programme had coincided with the development of the economic reform programme, involving financial structure and policy reforms, State budget deficit reduction, financing through private enterprise, voluntary savings, financial restructuring of State enterprises, credit reform, rescheduling of external debt and price and exchange rate liberalization. Structural reforms had increased the role of the private sector and had given greater autonomy to State enterprises. The country programme had anticipated the needs generated by the reform process and, as it had gathered momentum, the number of projects dealing with policy development and economic and financial management had increased. At the same time, programming relating to agriculture and industry had been strengthened in a manner consistent with the thrust of the overall programme.

44. With respect to human resources, the need for commitment by the Government to the provision of counterpart personnel had been emphasized. Aid coordination had been recognized as a government prerogative whose effectiveness would be facilitated by the development of external assistance policy and strategy. The effectiveness of the United Nations Volunteers programme for Angola was recognized, and the use of Angolan experts was encouraged. Government execution, however, would be limited by insufficient managerial capability in the public service.

45. In conclusion, the programme was found to be consistent with the Government's policy and supportive of its further development. The review had constituted an important contribution to the ongoing debate on economic policy reform at a crucial moment.

(Mr. Damiba)

46. Turning to the mid-term review of the third country programme for Nigeria, he said that it was the first such programme review held in Nigeria. Since government officials had little familiarity with multilateral technical cooperation, the resident representative had addressed practically all aspects of programme implementation and had provided insight into the underlying policy and procedural issues. The results augured well for improved understanding of programme implementation and its problems, leading to a better sense of ownership at the federal and State levels, and a general sense of the measures required to improve programme delivery and of policy issues involved in technical cooperation.

47. A number of initiatives had been taken to implement recommendations stemming from the mid-term review. A programme and management support project had been approved and implementation would start soon.

48. A workshop on aid coordination and management had been organized in November 1990. NaTCAP activities in Nigeria had also picked up. Another recently approved project concentrated on short-term advisory services. The better use of international short-term advisory resources would be of particular importance in the context of national execution.

49. The impetus given by the mid-term review had created a very favourable climate for aid coordination at all levels of the Government, and interest in external aid had been growing steadily, which augured well for the next country programme.

50. Mr. SINGH (Assistant Administrator, Director, Regional Bureau for Asia and the Pacific), presenting the mid-term review of the fourth country programme of the Maldives, said that the Maldives was a least developed country consisting of hundreds of atoll islands, with a very narrow resource base.

51. The objectives of the review were to examine the continued relevance of the country programme in light of the evolving national socio-economic setting, and to review the progress of implementation and suggest remedial measures as needed.

52. The review had underlined the continuing relevance of the country programme to national development priorities. Despite a sizeable increase, resources continued to be inadequate to meet all demands for assistance. The review had re-examined all pending projects in terms of their priority and readiness, and had retained only the highest priority projects for funding under the current programme.

53. The extent to which the country programme reflected UNDP's global priorities had also been considered. Development of the country's human resource capacities continued to be of overriding concern to the Government as it strove for sustainability and self-reliance. Institution-building and management development also illustrated those concerns. The review had reaffirmed that the proposed management development project would have significant impact on the public and private sector, and was also opportune within the framework of the Government's administrative reform policy. UNIFEM was financing a survey of women's roles in

economic activities and their attitudes, in order to provide a database for strengthening women's activity in the development process.

54. Mindful of the fragile ecosystem and limited resource base, the Government had emphasized environmental protection and population control policy. UNDP was financing a preliminary study on the impact of sea-level rise and was collaborating with the United Nations Environment Programme (UNEP) in the implementation of an environmental work programme. It was agreed that UNDP would continue to stress the environment through projects for coastal defence, integrated atoll development and, in cooperation with UNFPA, non-formal education on population control. Finally, the review had considered that the country programme was well-suited for aid coordination and as a framework for other assistance. It had endorsed the Government's wish that UNDP continue its assistance through convening small, informal meetings with donors.

55. Turning to the mid-term review of the fourth country programme for Pakistan, he said that particular attention had been paid to progress in implementing the programme over the first three years, constraints encountered during the implementation and development of the programme, and the relevance of UNDP assistance to changing development priorities. There had been a reorientation towards the Government's social priorities, with the formulation of projects in more remote and less developed areas of the country. The Government's worsening financial position had highlighted the need for better planning and monitoring of activities, as well as for UNDP support for such areas as external debt management. In consonance with the Government's commitment to the equitable sharing of the benefits of development, UNDP had focused on private sector development, environmentally sustainable development and women in development.

56. Programme implementation had been adversely affected by slow project formulation and project delivery; specific proposals had been made at the mid-term review to address those concerns. The review had recommended that consideration should be given to programmes in community-based rural development, and had further recommended an enhanced role for the private sector as well as implementation of a national conservation strategy. Specific initiatives had been suggested concerning human resources development and financial resources management, with an emphasis on aid coordination.

57. Mr. KRUIDERINK (Officer-in-Charge, Regional Bureau for Latin America and the Caribbean) said that the Latin American and Caribbean region was committed to achieving growth, maintaining reform and managing its resources more effectively. The attainment of those objectives would require more favourable and stable trading conditions and an increase in net financial transfers to the region in order to promote sustainable economic growth. External debt and commodities continued to have the highest priority.

58. Investment in human development was essential to lasting recovery and genuine economic and social development. Consolidation of democracy throughout the region

(Mr. Kruiderink)

was linked to Governments' potential for offering their peoples a more equitable society and improved quality of life.

59. The fourth programming cycle had anticipated the six priorities set forth in Governing Council decision 90/34, on the fifth programming cycle. The Regional Bureau for Latin America and the Caribbean intended to focus on those areas, notwithstanding a reduction of some 50 per cent in the level of resources available for regional activities in the fifth cycle.

60. Turning to the mid-term review of the fourth country programme for Costa Rica, he said that the development objectives established by the Government would remain applicable over the remainder of the cycle. The country programme had followed the Government's development and technical cooperation priorities, and had had a particular impact in decision-making in the public sector, renegotiation of external debt, mobilization of investment through technical cooperation activities, the export sector, and technology management with a view to improving productivity.

61. Costa Rica had benefited from programmes financed under the Special Plan of Economic Cooperation for Central America, with projects in various infrastructure sectors. Lastly, with regard to regional economic integration, the Central Bank of Costa Rica was reviewing technical proposals relating to reform of the Central American Monetary Stabilization Fund (CAMSF) and the restructuring of the Central American Bank for Economic Integration (CABEI).

62. With regard to the mid-term review of the fourth country programme for Jamaica, he said that UNDP assistance to Jamaica had been implemented under difficult conditions arising from structural adjustment measures and destruction wrought by Hurricane Gilbert. The change of Government following the 1989 elections had contributed to a reorientation of the country programme. UNDP projects had been particularly evident in the areas of disaster relief, institutional strengthening in connection with human resources development, and the definition of a national development plan. The mid-term review had led to increased emphasis on public sector management, the productive capacity of the private sector, and environmental issues relating to agriculture, tourism and natural resources. Some 44 per cent of projects were covered by the Government-execution modality. Continued attention should be paid in the fifth cycle to strengthening national institutional capacity to ensure that programmes achieved maximum impact.

63. Mr. NOUR (Assistant Administrator and Regional Director, Regional Bureau for Arab States and Europe), commenting on the mid-term review of the fourth regional programme for the Arab States, said that the review had confirmed the priorities of the fourth cycle - food security, human resources development and technology - and had agreed that fifth cycle priorities should include the environment, trade, water resources and energy. In particular the review had endorsed UNDP initiatives with regard to the environment and women in development. The regional programme for the Arab States, and that for Europe, had proved valuable in addressing development

issues that cut across borders, such as transport and the environment. The reduced resources for the fifth cycle would doubtless impose some limitations in that respect.

64. Turning to the mid-term review of the fourth country programme for Yemen, he said that UNDP had restructured its operations to take account of the unification of the two Yemens in 1990, with an IPF for the unified Republic of Yemen equivalent to the two IPFs for the fourth cycle. UNDP had been asked to assist in the preparation of the first national development plan.

65. At its thirty-eighth session, to be held in June 1991, the Governing Council might wish to examine some issues relating to country and regional programmes for Europe.

66. The crisis in the Persian Gulf posed unprecedented challenges for those engaged in development. The Gulf Task Force established by the Administrator had begun to work on a draft plan for UNDP action, and specific proposals would be submitted to the Council at the June session. The expertise of the United Nations system was needed as never before. The importance of coordination could not be overemphasized, since there was no room for duplication of effort or for waste in the face of human suffering on such a scale.

67. Attempts had been made to identify the costs for specific countries arising from sanctions imposed under Security Council resolution 661 (1990) and the broader costs resulting from the impact of the crisis on the world economy. There was thus an immediate need for the systematic collection and analysis of socio-economic data relating to basic human needs, the rebuilding of institutions and infrastructure, economic management and environmental recovery.

68. A well-coordinated development response was needed, with emphasis on the early socio-economic reintegration of returnees, who numbered some 2 million in the case of Egypt, Yemen and Jordan alone. With regard to the rebuilding of infrastructure, immediate action should be taken to restore municipal services, transport and communications networks and human settlements.

69. The costs of the crisis would include higher energy prices, decreased capital flows, reduced exports, unemployment, inflation, and lower growth rates. Countries would be compelled to rechart their macroeconomic development strategies, arrange further debt rescheduling and seek balance-of-payments support. The vulnerability of many developing countries to energy supplies and prices had been underlined yet again. Energy management programmes were needed to assist in conservation and the development of alternative sources. In the longer term, the crisis had highlighted the need to diversify exports and minimize dependency on a few markets. The conflict also had serious environmental and ecological consequences, with threats to regional fishing industries and desalination plants.

70. UNDP could play a vital role in assessing assistance needs and mobilizing resources. It was important for UNDP Resident Representatives to return to Kuwait

(Mr. Nour)

and Iraq as soon as circumstances permitted in order to coordinate the response of the United Nations system. It was clear that substantial additional resources would be required from within the region and from the international community. UNDP would be failing in its responsibilities if, once the crisis was over, it did not take the lead in promoting development initiatives, which were, in the final analysis, a bulwark of peace.

The meeting rose at 1.05 p.m.